

**15.411 Innovative business development — internships — technical and financial assistance.**

1. As used in this part, unless the context otherwise requires:
  - a. “*Innovative business*” means the same as defined in section 15E.52.
  - b. “*Internship*” means temporary employment of a student that focuses on providing the student with work experience in the student’s field of study.
2. The authority may contract with service providers on a case-by-case basis for services related to statewide commercialization development of innovative businesses. Services provided shall include all of the following:
  - a. Assistance provided directly to businesses by experienced serial entrepreneurs for all of the following activities:
    - (1) Business plan development.
    - (2) Due diligence.
    - (3) Market assessments.
    - (4) Technology assessments.
    - (5) Other planning activities.
  - b. Operation and coordination of various available competitive seed and prototype development funds.
  - c. Connecting businesses to private angel investors and the venture capital community.
  - d. Assistance in obtaining access to an experienced pool of managers and operations talent that can staff, mentor, or advise start-up enterprises.
  - e. Support and advice for accessing sources of early stage financing.
3. The authority shall establish and administer a program to provide financial and technical assistance to encourage prototype and concept development activities by innovative businesses that have a clear potential to lead to commercially viable products or services within a reasonable period of time. Financial assistance shall be awarded on a per project basis upon board approval. In order to receive financial assistance, an applicant must demonstrate the ability to secure one dollar of nonstate moneys for every two dollars received from the authority. For purposes of this section, “*financial assistance*” means assistance provided only from the funds, rights, and assets legally available to the authority pursuant to this chapter and includes but is not limited to assistance in the form of grants, loans, forgivable loans, and royalty payments.
4. The authority shall establish and administer an innovative businesses internship program for Iowa students. For purposes of this subsection, “*Iowa student*” means a student of an Iowa community college, private college, or institution of higher learning under the control of the state board of regents, or a student who graduated from high school in Iowa but now attends an institution of higher learning outside the state of Iowa. The purpose of the program is to link Iowa students to small and medium sized Iowa firms through internship opportunities. An Iowa employer may receive financial assistance in an amount of one dollar for every two dollars paid by the employer to an intern. The amount of financial assistance shall not exceed three thousand one hundred dollars for any single internship, or nine thousand three hundred dollars for any single employer. In order to be eligible to receive financial assistance under this subsection, the employer must have five hundred or fewer employees and must be an innovative business. The authority shall encourage youth who reside in economically distressed areas, youth adjudicated to have committed a delinquent act, and youth transitioning out of foster care to participate in the internship program.
5. a. (1) The authority shall establish and administer an outreach program for purposes of assisting businesses with applications to the federal small business innovation research and small business technology transfer programs.
  - (2) The goals of this assistance are to increase the number of successful phase II small business innovation research grant proposals in the state, increase the amount of such grant funds awarded in the state, stimulate subsequent investment by industry, venture capital, and other sources, and encourage businesses to commercialize promising technologies.
- b. (1) In administering the program, the authority may provide technical and financial assistance to businesses. Financial assistance provided pursuant to this subsection shall not exceed twenty-five thousand dollars to any single business.

(2) The authority may require successful applicants to repay the amount of financial assistance received, but shall not require unsuccessful applicants to repay such assistance. Any moneys repaid pursuant to this subsection may be used to provide financial assistance to other applicants.

c. The authority may also provide financial assistance for purposes of helping businesses meet the matching funds requirements of the federal small business innovation research and small business technology transfer programs.

d. The authority may contract with outside service providers for assistance with the programs described in this subsection or may delegate the functions to be performed under this subsection to the corporation pursuant to section 15.106B.

6. a. The authority shall establish and administer a program to accelerate the generation and development of innovative ideas and businesses. The program shall include assistance for the expansion of the proof of commercial relevance concept, the expansion of investment in applied research, and support for a manufacturing extension partnership program.

b. The authority may contract with outside service providers for assistance with the program described in this subsection or may delegate the functions to be performed under this subsection to the corporation pursuant to section 15.106B.

7. The board shall adopt rules pursuant to chapter 17A necessary for the administration of this section.

2007 Acts, ch 122, §1; 2008 Acts, ch 1122, §17 – 19; 2009 Acts, ch 82, §1; 2010 Acts, ch 1009, §2, 4; 2011 Acts, ch 118, §85, 89; 2012 Acts, ch 1021, §17; 2012 Acts, ch 1126, §31

Referred to in §15.106B, 15.412

[T] See Code editor's note on simple harmonization at the end of Vol VI

[T] Section amended